An act to amend Section 1417.2 of the Health and Safety Code, relating to long-term care facilities.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 1417.2 of the Health and Safety Code is amended to read: 1417.2. (a) Notwithstanding Section 1428, moneys collected as a result of state and federal civil penalties imposed under this chapter or federal law shall be deposited into accounts that are hereby established in the Special Deposit Fund created pursuant to Section 16370 of the Government Code. These accounts are titled the State Health Facilities Citation Penalties Account, into which moneys derived from civil penalties for violations of state law shall be deposited, and the Federal Health Facilities Citation Penalties Account, into which moneys derived from civil penalties for violations of federal law shall be deposited. Moneys from these accounts shall be used, notwithstanding Section 16370 of the Government Code, upon appropriation by the Legislature, in accordance with state and federal law for the protection of health or property of residents of long-term health care facilities, including, but not limited to, the following:

- (1) Relocation expenses incurred by the department, in the event of a facility closure.
- (2) Maintenance of facility operation pending correction of deficiencies or closure, such as temporary management or receivership, in the event that the revenues of the facility are insufficient.
- (3) Reimbursing residents for personal funds lost. In the event that the loss is a result of the actions of a long-term health care facility or its employees, the revenues of the facility shall first be used.
- (4) The costs associated with informational meetings required under Section 1327.2.
- (5) Support for the Long-Term Care Ombudsman Program established pursuant to Chapter 11 (commencing with Section 9700) of Division 8.5 of the Welfare and Institutions Code in an amount appropriated from the State Health Facilities Citation Penalties Account for this purpose in the annual Budget Act.
- (b) Notwithstanding subdivision (a), the balance in the State Health Facilities Citation Penalties Account shall not, at any time, exceed ten million dollars (\$10,000,000).
- (c) Moneys from the Federal Health Facilities Citation Penalties Account, in the amount not to exceed one hundred thirty thousand dollars (\$130,000), Account may also be used, notwithstanding Section 16370 of the Government Code, upon appropriation by the Legislature, in accordance with state and federal law for the improvement of quality of care and quality of life for long-term health care facilities residents pursuant to Section 1417.3.
- (d) The department shall post on its-Internet Web site, internet website, and shall update on a quarterly basis, all of the following regarding the funds in the State Health Facilities Citation Penalties Account and the Federal Health Facilities Citation Penalties Account:
 - (1) The specific sources of funds deposited into the account.
 - (2) The amount of funds in the account that have not been allocated.
- (3) A detailed description of how funds in the account have been allocated and expended, including, but not limited to, the names of persons or entities that received the funds, the amount of salaries paid to temporary managers, and a description of



equipment purchased with the funds. However, the description shall not include the names of residents.

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LEGISLATIVE COUNSEL'S DIGEST

Bill No.		
as introduced,		
General Subject:	Long-term	care facilities.

Existing law provides for the licensure of long-term health care facilities by the State Department of Public Health. Existing law establishes the Federal Health Facilities Citation Penalties Account into which moneys from civil penalties for violations of federal law are deposited. Existing law authorizes up to \$130,000 of the money in that account to be used, upon appropriation by the Legislature, for the improvement of quality of care and quality of life for long-term health care facility residents, as specified.

This bill would delete the provision limiting how much money in the account can be used for that purpose.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

